

## MINUTES

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Minutes of the Audit and Risk Committee meeting held on Wednesday 3 June 2020 at 3.30pm via Microsoft Teams.

**Present:** Susan Mitchell (Chair), Bob Black, Tony Martin, Evelyn McPhail

**In Attendance:** Brian Fisher, Hugh Hall (Principal), Marianne Philp, David Eardley (Scott Moncrieff), Paul Kelly (Scott Moncrieff), Grace Scanlin (Ernst & Young), Rachel Wynn (Ernst & Young)

### 1 Welcome

The Chair welcomed those present to the meeting. In particular Evelyn McPhail and Brian Fisher were welcomed to their first meeting.

### 2 Minutes of the Previous Meeting: 12 March 2020

The minutes of the previous meeting were approved as an accurate record.

### 3 Matters Arising / Actions Outstanding

The contents of the paper that had been circulated were noted.

### 4 Internal Audit

#### 4.1 Update on Internal Audit Actions: Exception Report

The contents of the paper that had been circulated were noted. It was highlighted that the College had a total of 11 outstanding actions. Six of these were not yet due for implementation and five of these had been completed.

#### 4.2 Workforce Planning

The contents of the report that had been circulated were noted. Good practice and areas for improvement had been identified as outlined on page 15 of the Boardpack. Four recommendations had been made and had been agreed by management.

A comment was made that all action plans should have SMART objectives. A query was raised about how long term strategies were tracked. It was noted that as well as five year strategies, one year operational plans are in place and progress is measured against key performance indicators which are reported at each Board meeting in the business report. It was also noted that plans may need to be revised in light of the impact of COVID-19.



# Fife College

## 4.3 Virtual Learning Environment

The contents of the report that had been circulated were noted. Good practice and areas for improvement had been identified as outlined on page 25 of the Boardpack. Four recommendations had been made and had been agreed by management.

A comment was made that stakeholder feedback should not wait until December 2020. It was confirmed that feedback is taken on an ongoing basis from staff and students. A recent pulse survey had been undertaken to review how staff are responding to working from home. In addition the Digital Learning Strategy incorporated input from staff and was now going through Committees for approval. The deadlines as set out in the document were for the entire action to be completed.

It was confirmed that the Digital Learning Group was led by the Assistant Principal: Quality and Academic Partnerships and supported by two other senior staff. It would link into the Academic Quality Committee which in turn reports to the Board of Governors. Members were advised that more progress had been made more quickly than planned on the implementation of the Digital Strategy due to the impact of COVID-19. It was noted that some staff required additional support and CLPL to enable them to make the changes required. It was noted that the Digital Strategy had recently been refreshed in order to take account of progress and to ensure a close fit with the Digital Ambition Strategy for the sector.

## 4.4 Internal Audit Plan

The contents of the paper that had been circulated were noted. It was confirmed that the plan had been updated to reflect current changes and areas of risk to ensure best use of the time available. Since drafting the plan, it had been suggested that the Audit on Estates Strategy should be moved into 2020-21 and some of the 6.5 days planned in 2019-20 would be moved into 2020-21 although not all may be required.

It was suggested that some days could be allocated to looking at feedback on the VLE audit. After discussion it was agreed that looking at digital capability overall with VLE as one component of that may give broader comfort.

Members suggested keeping a number of days fluid in order to adapt to changes arising from the impact of COVID-19. It was suggested that the Internal Audit Plan be looked at more frequently during the year and adapted if required.

There was a discussion about the potential for an internal audit looking at the College's planned return to buildings. It was noted that plans were currently being drafted and would be reviewed by the Health and Safety Team and Trade Unions would be consulted. This would be fed into the Health and Safety and Human Resources Committee as required. After discussion it was agreed that an internal audit in this area may not add much value.

**Decision:** To update the plan and adjust the number of days to be spent on Estates Strategy, add in digital capability and increase the number of contingency days and to review the plan again at the next meeting. To approve the other internal audits as outlined in the report.

**Responsibility:** Scott Moncrieff

**Deadline:** 10 September 2020

## 5 External Audit Plan and Fee

The contents of the paper that had been circulated were outlined in detail and noted.

There was discussion surrounding the additional work that may be required as a result of COVID-19 and the impact this may have on the external audit fee. Members expressed concern at the wording in the third paragraph of page 94 of the Boardpack which seemed to indicate that a decision had already been taken about a significant increased fee. It was agreed to adjust this wording prior to finalising the report. Members approved the £31,800 proposed fee but were unable to confirm approval to any potential additional fees without seeing the scope of work required, reasons for this and the associated costs.

### **Decisions:**

- To approve the external audit plan subject to the wording in the third paragraph of Appendix E being revised.
- To approve the external audit fee of £31,800. Any additional fees and justification of these to be presented to the Committee for approval by way of an addendum to the report.

**Responsibility:** Ernst & Young

**Deadline:** 10 September 2020

## 6 Accounting Policies

The contents of the paper that had been circulated were noted. It was confirmed that no significant changes had been made to the policies.

**Decision:** To approve the accounting policies for 2019-20.

**Responsibility:** S Dunsmuir

**Deadline:** 10 September 2020

## 7 Strategic Risk Register 2019-20

The contents of the paper that had been circulated were noted. Members noted that an additional risk had been added covering COVID-19 and that all risks had been updated to take account of its impact. It was noted that this had generally mean an increase in risk scores.

It was highlighted that risks 2, 7 and 8 were now categorized as severe with a high remaining net score. It was suggested that some post risk occurrence scenarios should be set out to describe risks and outcomes for these. It was noted that discussions would commence in the coming weeks at a high level about systemic changes that may be required, and further Scottish Government guidance would be issued. It was suggested that these risks and mitigating actions should be looked at once more information was available.

A suggestion was made that target scores be added to the risk register with SMART objectives and timescales to bring the risks down to that level. It was noted that this was linked to risk appetite. It was agreed that the Executive Team would consider this. It was considered

important to focus on the things that could be controlled and would have a significant impact, on a cost benefit analysis model. It was also noted that the number of risks on the register could remain fluid and there was no prescribed number.

It was noted that the Dunfermline New Campus Project Board had a separate project register and that Bob Black had given some helpful feedback on this recently. It was noted that the project was joint between the College and Fife Council and it was desirable to have one shared risk register. This would be specific to the project and managed by the Project Board.

**Decisions:**

- To remove the COVID-19 specific risk now that it was embedded satisfactorily in all risks.
- To discuss with Executive Team the suggestion of including target risk scores with timescales for achievement.
- To invite the Chief Operating Officer to the next meeting to present on the process being adopted in relation to risk management in relation to the Dunfermline New Campus Project.

**Responsibility:** Principal / S Dunsmuir

**Deadline:** 10 September 2020

## 8 **Review of Remit and Self-Evaluation**

The contents of the paper that had been circulated were noted. Members confirmed that timing and frequency of meetings and format and content of papers met their needs. No changes were proposed to the remit. The Chair encouraged all members to complete and return the self-evaluation checklist at the earliest opportunity. Any questions could be referred to the Director: Governance and Compliance in the first instance.

**Deadline:** To complete and return the self-evaluation to the Director: Governance and Compliance.

**Responsibility:** All Committee Members

**Deadline:** 30 June 2020

## 9 **Date of Next Meeting**

Thursday 10 September 2020 at 3.30pm within the Boardroom, Dunfermline Campus or via Microsoft Teams